

STATE OF MICHIGAN

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

LANSING



VIA E-MAIL

TO:

Margaret O'Brien, Secretary of the Senate

Gary Randall, Clerk of the House of Representatives

FROM:

Liesl Eichler Clark, Director

DATE:

September 30, 2019

SUBJECT:

Report on the Electronic Waste Recycling Fund Revenue and Expenses

In accordance with Sections 17303(9) and 17317(9) of Part 173, Electronics, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Department of Environment, Great Lakes, and Energy's (EGLE) report on the Electronic Waste Recycling Fund for fiscal years 2018 and 2019.

If you need further information, please contact Jack Schinderle, Director, Materials Management Division, at 517-284-6551; or you may contact me at 517-284-6708.

Attachment

cc/att: Chris Harkins, Director, Senate Fiscal Agency Mary Ann Cleary, Director, House Fiscal Agency Chris Kolb, Director, State Budget Office Greg Bird, Legislative Director, Governor's Office Emily Laidlaw, Policy Director, Governor's Office Abbey Frazier, Senate Fiscal Agency Austin Scott, House Fiscal Agency Jacques McNeely, State Budget Office Jennifer Harrison, State Budget Office Aaron B. Keatley, Chief Deputy Director, EGLE Amy Epkey, Senior Deputy Director, EGLE Sarah M. Howes, Legislative Liaison, EGLE David Fiedler, Regulatory Affairs Officer, EGLE Jack Schinderle, EGLE Elizabeth Browne, EGLE Kathy Tetzlaff, EGLE Rhonda Oyer, EGLE Jeff Spencer, EGLE Steve Noble, EGLE

Electronic Waste Recycling Fund Revenue and Expenses

Report Period: Fiscal Years 2018 and 2019

Authority: MCL 324.17303(9) and 324.17317(9)

The Department of Environment, Great Lakes, and Energy (EGLE) submits this report in accordance with Sections 17303(9) and 17317(9) of Part 173, Electronics, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Part 173 requires a biennial report that assesses the adequacy of the fees collected from manufacturers and recyclers of covered electronic devices and makes recommendations regarding modification of those fees. Part 173 was signed into law in December 2008, and annual registrations were first required in October 2009.

Electronic Waste Recycling Fund (Fund) Revenues and Expenses

The Electronic Waste Takeback Program revenue is received from the annual registrations paid by computer, printer, and television manufacturers and recyclers. Manufacturers must pay \$3,000 per year, and electronics recyclers must pay \$2,000 per year. Program expenses include the costs associated with administering the law.

Electronic Waste Recycling Fund Summary			
	FY 2018	FY 2019	
Beginning Fund Balance	\$385,146	\$400,724	
Fund Revenue	\$283,577	\$257,500 (Projected)	
Year-End Fund Balance on Sept. 30	\$400,724	\$305,500 (Projected)	

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Program Registrations				
	FY 2018	FY 2019	Annual Fee	
Manufacturer Registrations	71	73	\$3,000	
Recycler Registrations	25	25	\$2,000	

The annual revenue received by the Fund meets the projections outlined during the inception of Part 173 and its funding mechanism. The Fund is not taking in more revenue than anticipated; therefore, the Fund will not exceed \$600,000 on December 31 of any year, as limited by Section 17303(6) of Part 173.

Fund Adequacy

The Fund continues to be adequate for administering the current program, which has a primary focus on community assistance, education and outreach, and compliance assistance. The program staff includes one full-time professional and administrative support. The focus of staff is supporting local communities, providing assistance and education for collectors of electronics regulated under Part 173 and inspection of electronics recyclers.

Recommendation for Fee Modification

EGLE completed a stakeholder process in 2016 and continues to gather recommendations from stakeholders about improving the effectiveness of the program. At this time, program fees are adequate to fund the ongoing program.

For additional information on Michigan's Electronic Waste Takeback Law, Part 173, please visit Michigan.gov/EgleEwaste.